



From the Benefits and Entitlements Service Team (BEST)

Benefits Summary for New, Rehired, and Transferred Civilian Employees

For Full and Limited Service Employees

This brochure applies to new, rehired, and transferred employees who are eligible for Federal benefits. Generally, employees hired on or converted to appointments described as permanent or indefinite are eligible for Federal benefits.

This information is very important to you personally. It is your responsibility to understand and manage your Federal benefits. Most benefits have time limitations on enrollment, with infrequent opportunity to enroll or make changes. Information on beneficiary designations, retirement, and military service is also provided.

All Air Force-served civilians receive health insurance, life insurance, and Thrift Savings Plan (TSP) counseling and assistance from the Benefits and Entitlements Service Team (BEST), located at Randolph AFB, Texas. BEST also provides death-in-service and retirement services to "Full service" employees. "Limited service" employees receive retirement and death services from their local or servicing Civilian Personnel Flight (CPF). If your hardcopy Official Personnel Folder is located at AFPC, Randolph AFB, you receive "Full services" from BEST.

Enrollment in health insurance, life insurance, and TSP must be accomplished electronically via the BEST automated phone system or the Employee Benefits Information System (EBIS) web application. Instructions on how to access these systems and information on the BEST personal identification number (PIN) are on the last two pages of this brochure. The Benefits and Entitlements website is at <http://ask.afpc.randolph.af.mil/BEST/?prods3=272>.

BENEFITS	ELECTION PERIOD (from effective date of appointment)	HOW TO ENROLL
Federal Employees Health Benefits (FEHB)	60 days	EBIS or the BEST Phone System
Federal Employees Group Life Insurance (FGLI)	31 days	EBIS or the BEST Phone System
Federal Employees Dental and Vision Insurance Program (FEDVIP)	60 days	www.BENEFEDS.com or call 1-877-888-3337 TTY 1-877-889-5680
Flexible Spending Accounts (FSA) (for reimbursement of health and dependent care expenses not paid by health insurance)	60 days (or by October 1 st , whichever occurs first)	www.fsafeds.com or call 1-877-372-3337 TTY 1-800-952-0450
Long Term Care (LTC) Insurance	60 days (for abbreviated underwriting application)	www.ltcfeds.com or call 1-800-582-3337 TTY 1-800-843-3557
Thrift Savings Plan (TSP) (Retirement savings plan)	May enroll or make changes at any time	EBIS or the BEST Phone System
Election of FERS (CSRS/CSRS Offset only)	Within 6 months of date of reemployment	Obtain SF 3109 from local or servicing Civilian Personnel Flight

ON-LINE BENEFIT eSEMINAR COURSES

Before making your benefits elections, we encourage you to take the New Employee Benefits Orientation course, available on the Employee Benefits Information System (EBIS) as an eSeminar. This audio-video presentation makes use of the Macromedia Flash plug-in, so you will need to have speakers connected to your computer in order to listen to the audio portion of the seminar. If you don't have speakers, you can press the Notes button and view the text that is being narrated on each slide. The New Employee Benefits Orientation course explains how each Federal benefit program works and how you can receive the maximum benefit from each program. Instructions on how to access EBIS are on the last two pages of this brochure. Once logged into EBIS, just click the eSeminars icon at the top of your screen and then select the New Employee Benefits Orientation course.

There are two other eSeminars which provide information that is important to you throughout your career:

- **Planning for Your Retirement.** This course will give you a detailed understanding of the benefits you are entitled to under the Civil Service Retirement System (CSRS) and/or the Federal Employees Retirement System (FERS), Social Security, Medicare, the Thrift Savings Plan (TSP), the Federal Employees Health Benefits program (FEHB), Long Term Care Insurance (LTC), the Federal Employees' Group Life Insurance (FGLI) program, and the Flexible Spending Account (FSA) program. This module is composed of 6 segments (Retirement, Retirement for Special Groups, TSP, Social Security, Insurance, and Flexible Spending Accounts) and covers topics such as creditable civilian and military service, sick leave, computation of annuity, survivor benefits, how to pay deposits for civilian and military service, and taxation of annuities, as well as information on different types of retirement such as voluntary, discontinued service, disability, etc.
- **Financial Planning.** This course is designed to assist you with proper management of your finances so you can meet your life goals. It is devoted to the topics of insurance, taxes, investment options, investment planning, and estate planning as you plan for your future and for retirement.

FEDERAL EMPLOYEES HEALTH BENEFITS (FEHB)

The FEHB program provides comprehensive health insurance. You can choose from fee-for-service plans, health maintenance organizations, consumer-driven plans and high deductible health plans. FEHB is one of the most valuable benefits of Federal employment, but coverage is **not** automatic – you must select one of the more than 100 available health plans in order to be covered. We cannot recommend a health plan -- you must do this homework yourself. Begin by consulting the "Guide to Federal Benefits For Federal Civilian Employees" (RI 70-1) to determine which plans you are eligible for, the basic services each plan provides, and the cost. After narrowing your choices, review the individual plan brochures for specific coverage information; for example, some plans require payment of annual associate or union dues, some provide dental coverage. If the guide and plan brochures are not available locally for review, you can find them on the Office of Personnel Management (OPM) website (www.opm.gov/insure/health/planinfo/index.asp). While there, check out the automated tool for comparing plans by zip code. There are no FEHB plans that provide only dental or vision coverage. If dental and/or vision coverage is all you want, see the FEDVIP program information on page 5.

New and rehired employees on eligible appointments and **temporary employees converting** to an eligible appointment **have 60 days from date of appointment** to sign up for a FEHB health plan. If you don't make an election, you are considered to have declined coverage and you must wait until the next open season or qualifying life event to enroll. Exception: Rehired employees with a break in service of 3 days or less do not have an opportunity to enroll. The prior enrollment (or declination) will continue.

Important: Enrollment is not retroactive; it cannot be made effective the day you enter on duty, as you must have been in a pay status during some part of the pay period which precedes the one in which your enrollment becomes effective. Once this requirement has been met, your enrollment will become effective on the first day of the first pay period that begins after you submit your enrollment. You cannot be reimbursed for medical expenses incurred prior to the effective date. You need to consider this in canceling any other health insurance coverage you may already have, and for scheduling doctor visits or tests. Until the election is effective, you can obtain a copy of the SF 2809 (Health Benefits Election Form) from EBIS or by fax through the BEST phone system, to use as proof of insurance until you receive your enrollment card from the health carrier. Once the election is effective, you can obtain the SF 2809 from your electronic Official Personnel Folder.

Use EBIS or the BEST phone system to enroll in FEHB.

Transferring employees. If you transfer from a post of duty within the United States to a post of duty outside the United States, or reverse, you have 31 days before leaving the old post of duty to 60 days after arriving at the new post to elect to enroll or change to a new health plan. If a transfer within the United States moves you out of the servicing area of your HMO, you may elect a new health plan upon notifying your employing office of the move. An enrollment or change is effective the first day of the first pay period that begins after you submit your enrollment.

Premium Conversion is a "pre-tax" arrangement under which the part of your salary that goes for health insurance premiums is non-taxable. You save on Federal income tax and FICA taxes, and in most cases, on State and local income taxes. Premium conversion is automatic unless you waive participation by submitting the "Premium Conversion Waiver/Election Form" at the same time you submit your FEHB enrollment. Please note: If you elect to participate in premium conversion you **cannot** cancel or change your FEHB enrollment to self-only any time you want. Instead, you have to wait for the next open season or experience a qualifying life event that corresponds with the desired change. The premium conversion waiver/election form is available on the BEST website at <http://ask.afpc.randolph.af.mil/BEST/?prods3=272> (click on Health Insurance, then on Premium Conversion). Fax to BEST at DSN 665-2936 or (210) 565-2936.

Cost of FEHB. On average, the employee share of the FEHB premium is about 25% of the total cost. The Government pays the rest.

However, if you are a part-time employee working 16 to 32 hours a week (32 to 64 per biweekly pay period) you are entitled to a partial Government contribution in proportion to the number of hours scheduled to work in a pay period. The amount of the Government contribution is determined by dividing the number of hours scheduled to work during the pay period by the number of hours worked by a full-time employee serving in the same or comparable position (normally 80 hours per biweekly pay period). That percentage is then applied to the normal government contribution identified in the plan booklet. Deduct the resulting amount from the total premium shown on the plan booklet (both government and employee shares), and the remaining amount is the employee portion of the premium that will be withheld each pay period.

If you elect not to enroll in FEHB at this time, you need do nothing. However, unless you experience a qualifying life event, your next opportunity to enroll is the next annual open season which runs from the second Monday in November through the second Monday in December each year. Coverage elected during an open season is effective the first day of the first full pay period the following January. If you experience a qualifying life event, such as marriage, birth of a child, or loss of coverage under another policy, you have 60 days from the date of the event to conduct a non-open season enrollment. There are many qualifying life events – visit the BEST website at <http://ask.afpc.randolph.af.mil/BEST/?prods3=272> (click on "Health Insurance," then "Enroll or Change Enrollment," and select "Opportunities To Enroll Or Change Health Insurance Under The FEHB Program"), or speak with a BEST counselor for more information.

FEDERAL EMPLOYEES' GROUP LIFE INSURANCE (FEGLI)

FEGLI provides group term life insurance. If you are in a FEGLI-eligible position, you are automatically covered under Basic life insurance, unless you choose to waive that coverage. You can also elect Optional insurance for you, and/or your eligible family members.

New Federal employees are automatically enrolled in **Basic** life insurance effective the first day in a pay and duty status. If you don't want Basic insurance, you must take action to waive it. If you waive before the end of your first pay period, no premiums will be withheld.

Optional life insurance coverage is **not** automatic – you have to take action to elect it. You must have Basic insurance in order to be eligible for Optional insurance. **You have 31 days from your date of hire to sign up for Optional life insurance.** Optional insurance is effective the date you submit the election. If you do not elect to enroll in Optional insurance, you are considered to have waived Optional coverage.

Use EBIS or BEST phone system to elect or waive Basic and Optional insurance.

No proof of insurability is required for the Basic insurance you get on being hired, or for any Optional insurance that you sign up for during the first 31 days of employment. Proof of insurability may be required for insurance changes after that time.

Rehired employees with a break in service of 180 days or less are automatically enrolled in the same level of coverage in effect at the time of separation from employment. If you do not want this coverage, you may waive (cancel) all or a part of it at any time, but you may not elect to increase the coverage. If you had previously waived all coverage, you may not elect to be enrolled.

Rehired employees with a break in service over 180 days are automatically enrolled in the same level of coverage in effect at the time of separation from employment. You have 31 days from date of rehire to elect additional Optional coverage if you don't already have the maximum. If you had waived all FEGLI coverage during your previous employment, the waiver will be cancelled, you will be enrolled in Basic only, and will have a 31-day opportunity to elect Optional coverage.

Transferring employees may not enroll or elect additional life insurance based on the transfer.

The Federal Employees' Group Life Insurance Program (FEGLI) offers:

- **Basic Life Insurance** – equal to your annual basic pay (includes locality pay/local market supplements), rounded to the next higher \$1,000, plus \$2,000. Basic also provides an Extra Benefit to employees under age 45, at no additional cost. (See the FEGLI Program Booklet for more on the Extra Benefit.)
- **Plus three types of Optional insurance:**
 - Option A – Standard. Provides a straight \$10,000.
 - Option B – Additional. Provides an amount from one to five times your annual basic pay (after rounding up to the next \$1,000).
 - Option C – Family. Provides coverage for your spouse and eligible dependent children in an amount from one to five times \$5,000 for your spouse, and from one to five times \$2,500 for eligible dependent children.

The FEGLI Program Booklet (FE 76-21) contains information you need to become familiar with. If you do not receive the booklet during in-processing, ask your CPF where you can obtain it locally, or download it from the OPM website at www.opm.gov/insure/life/fegli/feds.asp.

Cost of FEGLI. Use the **FEGLI Calculator** at www.opm.gov/calculator/worksheet.asp to determine the cost and benefits of various levels of optional insurance coverage. Life insurance premiums are withheld automatically from your pay.

You may waive (cancel) life insurance coverage at any time, but you must wait one full year from the date of waiver before you can apply to re-enroll. This process requires that you have a medical exam, at your own expense. The Office of Federal Employees' Group Life Insurance (OFEGLI) approves/disapproves these requests.

FEDERAL EMPLOYEES DENTAL AND VISION PROGRAM (FEDVIP)

The FEDVIP program offers supplemental dental and vision coverage to eligible Federal employees and eligible family members on an enrollee-pay-all basis. Eligible individuals can enroll in a dental plan and/or a vision plan, for self-only, self plus one, or self and family coverage. Premiums will be withheld from salary on a pre-tax basis. The Guide to Federal Benefits for Federal Civilian Employees, discussed in the FEHB section, also contains information on the FEDVIP dental and vision plans.

Newly hired and newly eligible employees have 60 days from date of hire or date of becoming eligible to enroll in the FEDVIP program. Enrollment is effective at the beginning of the pay period following the one in which submitted. During the 60-day opportunity, you may enroll in one dental plan and in one vision plan. Once you enroll in a plan, your 60-day window for that type of plan ends, even if 60 calendar days have not yet elapsed. If you don't enroll during the 60-day period, you may do so at the next open season in Nov/Dec or upon experiencing a qualifying life event (QLE). FEDVIP enrollment is conducted at www.benefeds.com.

Transferring employees already enrolled in the FEDVIP program – if the transfer moves you out of a regional plan's service area, you may change from one plan to another. There is no time limit.

Eligibility. Federal employees, including those who live outside the United States, are eligible to enroll in FEDVIP if they are eligible to enroll in the FEHB program (whether they ever enroll in FEHB or not). FEDVIP is completely separate from the FEHB program. Eligible family members include an enrollee's spouse and unmarried dependent children under the age of 22, or if age 22 or older, incapable of self-support. The rules for family members' eligibility are the same as for the FEHB program. Air Force civilians may contact BEST if they need help in determining eligibility.

Enroll in FEDVIP via the secure BENEFEDS Portal at www.benefeds.com, or by contacting a BENEFEDS customer service representative toll-free at 1-877-888-3337, TTY 1-877-889-5680, Monday – Friday, 9 a.m. to 7 p.m., Eastern Time. (You do not have to wait for FEHB enrollment to become effective before you can enroll in FEDVIP; you don't have to enroll in FEHB at all. You just have to be eligible for FEHB in order to be eligible for FEDVIP.)

Call BEST if you aren't sure if you are eligible for FEDVIP; however, if you have any questions or need other assistance, you will need to visit the BENEFEDS Portal or speak with a BENEFEDS customer service representative.

FLEXIBLE SPENDING ACCOUNTS

The Federal Flexible Spending Account Program for Federal Employees (FSAFEDS) is a tax-favored program that allows you to pay for eligible out-of-pocket health care and dependent care expenses with pre-tax dollars. There are three types of FSA accounts: general purpose Health Care FSA, Limited Expense Health Care FSA, and Dependent Care FSA.

New employees and rehires have 60 days from entry on duty or until October 1, whichever comes first, to sign-up for the Flexible Spending Account (FSA) program. Applications for the current calendar year are not accepted from October 1 through December 31. If you wish to enroll for the following calendar year, you will do so during the annual Open Season held each year from the second Monday in November through the second Monday in December. Enroll in the FSA program at www.fsafeds.com.

Transferring employees – If you are contributing to an FSA account(s) when you transfer, your contributions should continue. However, if your payroll office changed due to the transfer, you must call FSAFEDS right away and provide the effective date of the transfer and your new payroll office identification number (available in the Remarks section of your Leave and Earnings Statement (LES)).

It is **your** responsibility to ensure your contributions continue, to include checking your LES every pay period.

Employees eligible to enroll in a Health Care FSA include anyone eligible to enroll in the FEHB program, *even if not enrolled in FEHB*. **All employees with qualified dependents** may enroll in the **Dependent Care FSA** *except* intermittent or when actually employed (WAE) employees with no fixed work schedule whose tour of duty is six months or less.

FSAFEDS offers three types of FSA accounts:

- A **Health Care FSA (HCFSA)** can be used to pay for eligible health care expenses not reimbursed by your FEHB plan or any other medical, dental, or vision care plan that you or your dependents may have, and not claimed on your income tax return. The maximum contribution is \$5,000, and the minimum is \$250. Eligible dependents include anyone you can claim on your federal income tax return as a qualified Internal Revenue Service (IRS) dependent and/or jointly file your taxes with. Examples of eligible expenses include, but are not limited to, co-payments, deductibles, co-insurance, blood pressure monitors, Braille books and magazines, childbirth classes, dental care, orthodontic treatment, guide dogs, hearing aids, weight-loss programs at physician's direction, laser eye correction, and over-the-counter medications. Insurance premiums, including those for FEHB, Long Term Care, private insurance premiums and supplemental insurance premiums, are not eligible for reimbursement.
- A **Limited Expense Health Care FSA (LEX HCFSA)** can be used to pay for eligible vision and/or dental expenses not covered by FEHB or any other medical, dental, or vision care plan you or your dependents may have. Individuals who enroll in the LEX HCFSA are those who are enrolled in an FEHB High Deductible Health Plan (HDHP) and have a Health Savings Account (HSA). Individuals eligible for a HSA are not eligible for the general purpose HCFSA.
- A **Dependent Care FSA (DCFSA)** allows you to be reimbursed on a pre-tax basis for child care or adult dependent care expenses for qualified dependents that are necessary to allow you or your spouse to work, look for work, or attend school full-time. However, if you did not find a job and have no earned income for the year, your dependent care costs are not eligible. The maximum annual amount you may set aside is limited to the lesser of \$5,000 (\$2,500 if married and filing a separate income tax return); the employee's earned income (if less than \$5,000/\$2,000); or the spouse's earned income (if less than \$5,000/\$2,000). Eligible dependents include your dependent children under age 13, or anyone you claim on your federal income tax return as a qualified IRS dependent (and who is mentally or physically incapable of caring for themselves). Examples of eligible expenses include placement fees for a dependent care provider, such as an au pair; before and after-school care (other than tuition); care of an incapacitated adult who lives with you at least 8 hours a day; childcare at a day camp, nursery school, or by a private sitter; late pick-up fees, expenses for a housekeeper whose duties include caring for an eligible dependent; and summer or holiday day camps.

Enroll in the FSA program directly with Sykes Health Plan Services (SHPS), Inc., the third-party FSAFEDS program administrator. SHPS is fully responsible for enrollment and for answering any questions you may have about this program. To enroll, call the FSAFEDS toll-free telephone line: 1-877-372-3337 (TTY 1-800-952-0450), or go online to the FSAFEDS website at www.fsafeds.com. Enrollments are effective the next pay period and cannot be changed during the calendar year unless you experience a Qualifying Life Event (QLE).

FSA enrollment does *not* carry over automatically from one calendar year to the next. You must enroll each year during the annual open season if you wish to participate the next year.

Additional Information. There is a wealth of information on the FSAFEDS website. The homepage includes "quick links" to a summary of benefits with frequently asked questions, program information, eligibility information, a savings calculator, qualifying life event information, as well as an "Eligible Expenses Juke Box" that provides detailed information on expenses that are eligible for reimbursement under this program. Check it out!

LONG TERM CARE INSURANCE

The **Federal Long Term Care Insurance Program (FLTCIP)** provides long term care (LTC) insurance for reimbursement for costs of care when you are unable to perform at least two activities of daily living for an expected period of at least 90 days or when you need constant supervision due to a severe cognitive impairment. LTC insurance is **not** just for older people. Forty percent of persons receiving long term care are adults between the ages of 18 and 64. Many of these individuals are recovering from an accident, stroke, or have a crippling disease such as multiple sclerosis. Types of expenses that are payable are those not covered by FEHB or other health insurance, such as nursing home care and in-home care required because you need assistance with daily activities of living such as eating, bathing, toileting, and so on.

New hires and newly eligible employees (and your spouse, if married) have **60 days** from your date of appointment or the date you become newly eligible to apply for Long Term Care (LTC) insurance using the **abbreviated** underwriting application (fewer health questions). You may still apply after the initial 60-day period, but will have to use the **full** underwriting application (numerous health-related questions, and possibly a review of medical records and/or an interview with a nurse). Apply for LTC insurance at www.ltcfeds.com.

Transferring employees already enrolled in LTC insurance – If you are paying your premiums by payroll deduction and you transfer to a new agency or payroll office, the payroll deduction will **not** automatically switch over to the new payroll office. Instead, you must contact LTCFEDS as soon as you know where and when you will be transferring. They will work with your new agency location to set up payroll deductions there. You may receive direct bills from LTCFEDS while this is being set up; you must pay those bills to avoid cancellation of your LTC insurance. If paying by automatic bank withdrawal and you change banks as a result of your transfer, you must contact LTCFEDS to provide updated banking information. In addition, if your mailing address changes as a result of your transfer, you should notify LTCFEDS immediately.

You are **eligible to apply for LTC insurance** if you are eligible for FEHB coverage (whether you enroll in FEHB or not). In addition, certain relatives may apply to enroll for themselves, including your current spouse, parents, parents-in-law, stepparents (of living employees) and your adult children (at least 18 years old, including natural children, adopted children, and stepchildren – foster children are not eligible). Check with BEST if you are unsure about eligibility.

The cost of the insurance is based on your age when you apply – the older you are, the higher the premiums. The Office of Personnel Management (OPM) sponsored the LTC insurance program in order to obtain rates somewhat lower than what is available in the private sector, but you will pay the full cost of the premiums. Certain medical conditions, or combination of conditions, will prevent some people from being approved for coverage. Not everyone who applies will be approved for the insurance coverage.

To apply for LTC insurance, go to the LTCFEDS website at www.ltcfeds.com or call toll-free 1-800-582-3337 (TTY 1-800-843-3557). LTCFEDS customer service representatives are available Mon-Fri, 8 a.m. to 6 p.m., Eastern Time, to provide assistance with your application or answer questions about the program. The LTCFEDS website also provides information on the program.

THRIFT SAVINGS PLAN (TSP)

The Thrift Savings Plan (TSP) is a retirement savings and investment plan for Federal employees, offering the same type of savings and tax benefits offered under 401(k) plans. TSP contributions are very important to employees covered by the Federal Employee Retirement System (FERS) to ensure you have sufficient funds for retirement, since FERS is not as generous as the older Civil Service Retirement System (CSRS).

There are two types of TSP contributions, “regular” and “catch-up.”

Regular TSP Contributions

CSRS and FERS employees may start, change, stop, or restart regular TSP contributions at any time via the EBIS web application or the BEST phone system. Elections are effective at the beginning of the pay period following the one in which submitted.

In 2009, you may contribute up to \$16,500 (the IRS annual limit) to a regular TSP account. When submitting the election, designate the amount you wish to contribute each pay period as any whole percentage of your basic pay or a specific whole dollar amount. If you elect a percentage of pay and the amount is more than your remaining salary after mandatory deductions, then the resulting pay will be the amount withheld and contributed to your TSP account. If you designate a dollar amount and it is greater than your remaining salary, then **no** employee contributions will be made for that pay period, and if you are FERS you will not receive agency matching contributions. If this happens, you will need to submit a new election and elect a lower percentage or dollar amount. The new election will not be applied retroactively.

Agency Contributions to TSP Accounts. Only FERS-covered employees are eligible for agency contributions. FERS employees receive an agency automatic 1% contribution and agency matching contributions up to 4%. The agency automatic 1% contribution is equal to 1% of your basic pay and is paid whether or not you contribute your own money. Agency matching contributions apply to the first 5% you contribute, as follows: dollar-for-dollar for the first 3% and 50 cents on the dollar for the next 2%. Contributions you make above 5% of your pay will not be matched, but you will still benefit from before-tax savings and tax-deferred earnings on these contributions. By contributing at least 5% of your basic pay, you double your investment instantly. Don't miss out on free money! And start contributing right away. Employees who contribute to TSP during the first 15 to 20 years of service, even if only \$10 or 1 or 2% of pay per pay period, will have a larger TSP account when they retire than employees who wait 10 or 15 years to start contributing. The earlier you begin to contribute, the faster your account balance will increase, thanks to compounding of earnings.

Don't miss out on Agency Matching Contributions! FERS employees who are eligible for agency matching contributions must contribute at least 5% of their basic pay each pay period if they wish to receive the maximum agency matching contributions each pay period of the year. If you reach the IRS annual limit before the end of the year, your own contributions and agency matching contributions will be suspended. Use the Elective Deferral Calculator on the TSP Web site at www.tsp.gov/calc/contributions/index.html to avoid this situation.

When Agency TSP Contributions Begin. New FERS employees are eligible to receive agency contributions once they serve a waiting period. The waiting period can be between 6 to 12 months, depending on the date of hire, as follows:

Waiting Period Chart	
If you were hired:	Agency contributions begin:
1 Jun 07 – 30 Nov 07	8 Jun 08
1 Dec 07 – 31 May 08	7 Dec 08
1 Jun 08 – 30 Nov 08	7 Jun 09
1 Dec 08 – 31 May 09	6 Dec 09
1 Jun 09 – 30 Nov 09	6 Jun 10
1 Dec 09 – 31 May 10	5 Dec 10

Rehired employees with a break in service of 31 or more full days may sign up to make TSP contributions at any time. If you are FERS and you were previously eligible to receive agency contributions, the agency automatic 1% contribution will begin immediately upon rehire and the agency matching contributions when you begin contributing your own money. If you were not previously eligible to receive agency contributions, the agency automatic 1% contribution will begin when the waiting period has been met, as per the chart above, as will agency matching contributions if contributing your own money.

Rehired employees with a break in service of LESS than 31 full days. If previously contributing to TSP, your contributions will automatically resume based on the last valid contribution election on file. You may submit a new contribution election to change or stop your contributions at any time. If you were not previously contributing, you may sign up to begin TSP contributions at any time. If you are FERS, agency contributions will resume upon rehire **if** you were previously eligible for them. It is your responsibility to check your Leave and Earnings Statement (LES) to ensure your contributions have resumed. If they do not, notify BEST immediately. Contact your payroll office if TSP loan payments do not continue.

If you are a rehired CSRS or CSRS Offset employee and you choose to change your retirement coverage to FERS, the agency automatic 1% contribution will begin the day your FERS coverage goes into effect. If you are already contributing to TSP, your contributions will continue and agency matching contributions will begin the date your FERS coverage goes into effect. If you are **not** contributing to TSP on the date you transfer to FERS, you may submit an election to start contributions at any time. However, if you wish your TSP contributions to be effective the same date as your transfer to FERS, fax a completed Form TSP-1 (TSP Election Form), along with SF 3109 (Election of Coverage – FERS) to BEST at DSN 665-2936 or (210) 565-2936. You need to do this at the same time you sign the SF 3109. (This is the only time BEST will accept a hard copy TSP election form.)

Transferring Employees. If you are contributing to TSP when you transfer, your contributions will continue. It is **your** responsibility to check your Leave and Earnings Statements (LES) received for pay periods after the transfer effective date to ensure your contributions, as well as any TSP loan payments, have continued. If contributions are not withheld, notify BEST immediately.

Investment of TSP Contributions. Selecting the funds you wish to invest your TSP contributions in and the percentage you wish to go into each is called making a “contribution allocation.” You’ll use the TSP Website or the TSP ThriftLine to make your contribution allocation among the investment funds. The good news is you can change your contribution allocation as often as you like. If you’re a new participant, however, your contributions are placed in the Government Securities Investment (G) Fund until you receive your TSP password and PIN and submit a contribution allocation. If you’re a rehired employee and you already have an established TSP account, your contributions will be invested based on your most recent contribution allocation, which you can change at any time.

TSP Account Number, Password and PIN. New TSP participants will receive a “welcome letter” from the Thrift Savings Plan by mail within 7 to 10 days of the date the TSP receives the first contribution to your account (either your own or agency contributions); the letter will contain your 13-digit TSP account number. Separately, you will receive a 4-digit PIN and an 8-character password. Upon receipt, you will be able to conduct a contribution allocation transaction to designate how you wish your contributions allocated among the investment funds. You will also be able to conduct an interfund transfer to move all or part of your current TSP account balance from one fund to another. You will use the TSP password to access your account via the TSP Website and the TSP PIN to access the ThriftLine. You can also change your password and PIN. The TSP Website is located at www.tsp.gov (click on Account Access). The ThriftLine toll-free phone number for employees located in the United States, the Virgin Islands, Puerto Rico, Guam, American Samoa, and Canada is 1-877-968-3778 (TDD 1-877-847-4385). Other international callers will dial 1-404-233-4400 (TDD 1-504-255-5113) (not toll-free). If you lose or forget your TSP password or PIN, you may request replacements via the TSP Website or ThriftLine.

Automatic Carry-Over from Year to Year. If you elect to contribute to a regular TSP account, the election will automatically carry over from year to year. You can stop or change it at any time.

TSP Catch-Up Contributions

“Catch-up” contributions are **additional** tax-deferred contributions, **separate** from regular TSP contributions. You are eligible to make catch-up contributions if you are age 50 or older or will turn age 50 in the year in which catch-up contributions are deducted, are in a pay status, **and** contributing the **maximum** regular employee contributions to a TSP account, a uniformed services TSP account, and/or other eligible employer-sponsored plan, such as a 401(k) plan.

A catch-up contribution election does **not** carry over from year to year. Eligible employees must submit a new election each year. Catch-up contribution elections for calendar year 2009 may be submitted at any time between 7 Dec 08 and 5 Dec 09. (An election for 2010 can be submitted beginning 6 Dec 09.) **The maximum annual catch-up contribution for 2009 is \$5,500.** This annual maximum is completely separate from the annual maximum for regular contributions. If you will not be contributing the IRS maximum in regular contributions, there is no need to elect TSP catch-up.

Sign up to make catch-up contributions via EBIS or the BEST phone system. (Hard copy enrollment forms are not accepted.) Designate the amount you wish to contribute each pay period as a whole dollar amount. Make sure the per pay period amount does not exceed your net pay, or no contributions, either catch-up or regular, will be withheld. (If this happens, you'll have to process another election to change the per pay period amount, effective the next pay period.)

Catch-up contributions are invested based on the same contribution allocation you submit for regular TSP contributions via the TSP website. The Catch-Up Contributions Fact Sheet at www.tsp.gov/forms/oc03-03.pdf has more information.

RETIREMENT

Newly hired Federal civilian employees, with few exceptions, are covered by the Federal Employees Retirement System (FERS). Some rehired employees may be covered under the Civil Service Retirement System (CSRS) or a slightly revised version called CSRS Offset. To determine your retirement coverage, refer to Item 30 of your latest SF 50, or block 19 of your LES.

FERS – Most employees who started working for the Federal government after 31 Dec 83 are automatically covered by FERS. The publication, “FERS – An Overview of Your Benefits,” highlights the main features of FERS. You can find the publication at www.opm.gov/forms/pdfimage/RI90-1.pdf.

FERS is a three-tiered retirement plan. The three components are: 1) Social Security benefits, 2) the basic FERS retirement annuity, and 3) the Thrift Savings Plan. Most FERS employees pay 0.80% of basic pay into the basic FERS benefit plan each payday. However, those under special retirement coverage, such as firefighters, law enforcement officers, and air traffic controllers, contribute 1.3% to FERS. All FERS employees pay 6.2% of basic pay to Social Security (up to the maximum taxable wage base) and 1.45% to Medicare.

The three components work together to form a strong financial foundation for your retirement years. **It is extremely important for FERS employees to contribute to the TSP** since the formula used to compute the FERS basic retirement annuity is less generous than the one used to compute an annuity under the older CSRS retirement system. In addition, TSP is the part of your retirement that you control. You decide how much of your pay to put in your account (up to the allowable limits), how to invest it, and, when you retire, how you want your money paid out. The best way to assure that your retirement income is sufficient to meet your needs is to start investing in the TSP at the beginning of your Federal service, even if you only contribute 1 or 2%, and to continue to do so throughout your career. See the TSP section on the previous pages for additional information.

CSRS – Most permanent employees hired before 1984 are covered by full CSRS. In addition, employees rehired within 365 days of separation from a CSRS-covered position will retain CSRS coverage. Most CSRS employees, including air traffic controllers, contribute 7% of their basic pay to the CSRS retirement system. However, those under special retirement coverage, such as firefighters and law enforcement officers, contribute 7.5% of basic pay. All CSRS employees contribute 1.45% to Medicare. There is no contribution to Social Security.

CSRS Offset – CSRS employees rehired on or after 1 Jan 84 with a break in CSRS coverage of more than 365 days and who had at least 5 years of creditable civilian service by the end of 1986 are covered by CSRS Offset. CSRS Offset employees pay into both the CSRS retirement system and Social Security, as follows: 6.2% of earnings to Social Security, 0.80% to CSRS. Firefighters and law enforcement officers pay 1.30% of basic pay to CSRS; air traffic controllers pay 0.80%. All pay 6.2% to Social Security and 1.45% to Medicare.

CSRS retirement eligibility and annuity computation rules apply to CSRS Offset employees. The difference occurs once you are retired and age 62 -- at that time your CSRS benefit will be reduced, or "offset," by an amount equivalent to the Social Security benefit based on your CSRS Offset service and earnings. Basically, you lose nothing, it just comes from two sources.

CSRS and CSRS Offset Only – Election Opportunity for FERS Retirement Coverage. CSRS and CSRS Offset employees who are rehired after a break in coverage of more than 3 days and who had at least 5 years of creditable prior CSRS or CSRS Offset coverage at the last separation from employment, have a 6-month opportunity to elect to transfer to the FERS retirement system. If you are in this situation, you should have received SF 3109, "Election of Coverage," from your local or servicing Civilian Personnel Flight (CPF) during in-processing. In addition, you will see a remark on the SF 50 documenting your rehire that advises you are eligible to elect FERS within 6 months of rehire. You will need to:

- Complete Part 1 (the first page) of the SF 3109 and return it to your local/servicing CPF. This is simply a receipt verifying you have been given the form and advised of your opportunity to transfer to FERS.
- Read the Office of Personnel Management (OPM) "FERS Transfer Handbook." Your local or servicing CPF may have a copy of this handbook, or you can find it on the OPM "FERS Election Opportunities" web page at www.opm.gov/retire/pre/election/index.htm. While there, check out the "Frequently Asked Questions (FAQ)" and "Employee Resources."
- Full service employees with questions regarding their opportunity to transfer to FERS may contact a BEST counselor for assistance. Limited service employees will need to contact their local or servicing CPF.
- If you decide to transfer to FERS, complete and return Part 2 to your local/servicing CPF or fax to BEST at DSN 665-2936 or (210) 565-2936. (Exception: If you are a Limited service employee, you must return the election to your CPF.) An election to transfer to FERS is effective at the beginning of the next pay period after the completed form is received. An election to transfer to FERS is irrevocable once it has become effective.
- If you do nothing, your current coverage (CSRS, CSRS Offset, or Social Security) will continue.

This is an opportunity that few workers have – the chance to choose your retirement plan. You can keep the retirement coverage you now have, or you can choose to be covered by FERS. This is a very important decision. Depending on what the future holds for you, your decision can make a difference in how early you can retire from the Federal government and how much retirement income you will have. Most people will not have another chance to choose FERS coverage unless they leave Federal service for more than 3 days.

The FERS Transfer Handbook takes you through important considerations and shows you why they're different in CSRS/CSRS Offset and FERS. Many people reach a decision without reading very much of the handbook, but we encourage you to at least review the first 6 sections because there are some special circumstances that may change your mind. You should look at the table of contents to identify topics that may be of interest to you. When you finish reading, you should be prepared to make a choice based on the plan overviews, comparisons, and examples.

DEPOSITS AND REDEPOSITS

Crediting Military, Temporary, and Refunded Service towards Retirement

Employees with prior military or Federal civilian service may need to pay a deposit or redeposit in order to receive credit towards retirement. The regulations regarding crediting service for retirement purposes are different from rules for crediting for leave purposes. Some service that may be included in the Service Computation Date-Leave (SCD-Leave) for leave accrual but may not be creditable for retirement includes temporary service, refunded service, and military service. It is important to check into this earlier rather than later since all deposits and redeposits accrue interest on an annual basis.

Temporary service (service where only Social Security was withheld):

If you are CSRS/CSRS Offset, temporary service is always creditable for eligibility for retirement, whether or not you pay the deposit. However, if the temporary service was performed prior to 1 Oct 82 and you do not pay the deposit, your annual annuity will be permanently reduced by 10% of the deposit due. If the temporary service was performed on or after 1 Oct 82 and you do not pay the deposit, you will receive no credit for the service in the annuity computation.

If you are FERS, temporary service performed prior to 1 Jan 89 is creditable for eligibility and annuity computation **only** if you pay the deposit. Temporary service performed on or after 1 Jan 89 is not creditable – no deposit is allowed.

Refunded service:

Rehired CSRS/CSRS Offset employees who took a refund of prior CSRS contributions after separating from employment may redeposit the refund, with interest. The refunded service is creditable for eligibility for retirement whether you pay the redeposit or not. If the period of refunded service ended before 1 Oct 90 it is creditable for annuity computation; however, if you don't pay the redeposit your annuity will be actuarially reduced and the reduction is permanent. If the period of refunded service ended after 30 Sep 90, the service is not creditable for annuity computation unless you pay the redeposit.

Rehired FERS employees who took a refund of FERS retirement contributions -- Be advised that refunded FERS service is **not** creditable for retirement eligibility or annuity computation, even though it is creditable for leave accrual purposes. **Refunded FERS contributions cannot be redeposited.** If you are uncertain whether you have refunded FERS service, contact the Office of Personnel Management at (724) 794-2005.

Military Service:

Congress enacted a law in 1982 giving employees the opportunity to pay a deposit into the civilian retirement system for active military time served after 1956 (also called post-56 military service). Individuals who make the deposit receive credit for the military service under both the Social Security system and the applicable civilian retirement system. **No interest is charged if the military deposit is completed within two years after the date you first become employed.** If the deposit is not completed in the two-year period, interest will be posted to your account on the third anniversary; thus the total effective interest-free period is three years minus one day. (Active military service performed prior to 1 Jan 57 is fully creditable for both retirement eligibility and annuity computation without deposit, for both CSRS and FERS.)

The rules for crediting post-56 military service differ depending on your retirement system:

FERS - Employees covered by FERS receive retirement credit (eligibility and annuity computation) for military service **only** if a deposit for military service is paid. For periods of active duty prior to 1 Jan 99, the deposit equals 3% of military base pay (does not include allowances). For periods of service performed during 1999, the deposit equals 3.25%, and during 2000, 3.4%. After 31 Dec 00, the deposit returns to 3% of base pay. These percentages apply to all FERS employees.

CSRS - Employees covered by CSRS (includes CSRS Offset) receive retirement credit for military service based on the date they were first employed under CSRS, as follows:

- First employed under CSRS on or after 1 Oct 82. Credit is received for military service for retirement eligibility and annuity computation **only** if the military deposit is paid.
- First employed under CSRS BEFORE 1 Oct 82. You'll receive full credit for retirement eligibility and annuity computation whether or not you pay the deposit. However, if you don't pay the deposit and you are eligible for a Social Security benefit at age 62 (whether you apply for it or not), then at age 62 credit for the military service will be deleted and your annuity recomputed downward. This is commonly called "Catch-62." If you will not be eligible for Social Security benefits at age 62, there is no advantage to making a deposit for the military service.

Prior to 1 Jan 99, the deposit required is 7% of basic military pay. For periods of service during 1999, the deposit required is 7.25%; and for 2000, 7.4%. After 31 Dec 00, the deposit amount returns to 7%. Applies to all CSRS employees.

Retired Military – If you are retired military, you may combine your active duty military service and civilian service for one annuity. This requires a deposit into the civilian retirement system for the active military service, subject to the deposit amounts and interest described in the previous paragraphs. In addition, when you are ready to retire from civilian service you must waive your military retired pay effective with the beginning of the civilian annuity. Exception: Military retired pay does not have to be waived if it was awarded for a disability incurred in combat or caused by an instrumentality of war, or awarded for Reserve service under Chapter 1223 (formerly chapter 67) of Title 10 of the U.S. Code.

How to Submit Application to Make Military Deposit

Air Force-serviced civilians who receive **Full** benefits and entitlements services from BEST will find military deposit instructions on the BEST website under “Retirement.” The BEST homepage is at <http://ask.afpc.randolph.af.mil/BEST/?prods3=272>.

Employees who receive **Limited** services from BEST must contact their local or servicing Civilian Personnel Flight for assistance with the military deposit, and with any issues related to retirement.

You receive Full benefits services from BEST if your hardcopy Official Personnel Folder is located at the Air Force Personnel Center (AFPC), Randolph AFB, Texas.

DESIGNATIONS OF BENEFICIARY

If you die while a Federal employee, payments will be made in a particular order of precedence set by law from your life insurance proceeds (if enrolled), unpaid salary (unpaid compensation), TSP account, and retirement contributions. (Exception: Retirement contributions are not payable as a lump sum if you have dependents who are eligible to receive survivor benefits.) If you are satisfied with the order of precedence, it's not necessary to complete a beneficiary form. Generally, the order of precedence is (1) the widow or widower; (2) if none, the child or children in equal shares; (3) if none, the parents in equal shares; (4) if none, the executor or administrator of the estate; (5) if none, the next of kin under the laws of the state in which the decedent was domiciled at date of death. However, for life insurance this order of precedence goes into effect only if your life insurance has not been assigned and if there is not a valid court order properly filed in your Official Personnel Folder (OPF).

The following designation of beneficiary forms can be found on the Office of Personnel Management website at www.opm.gov/insure/life/beneficiary/designate.asp:

- SF 1152 (Unpaid Compensation of Deceased Civilian Employee)
- SF 2823 (Federal Employees' Group Life Insurance)
- SF 3102 (Federal Employees Retirement System – FERS-covered employees only)
- SF 2808 (Civil Service Retirement System – CSRS-covered employees only)
- Form TSP-3 (Thrift Savings Plan, www.tsp.gov/forms/tsp-3.pdf)

If you are a Full service employee, submit the SF 1152, SF 2823, and SF 3102 to your local or servicing Civilian Personnel Flight, who will certify the forms and return the employee copies to you, and forward the originals to our office. If you are a Limited service employee, the CPF will file the forms in your OPF. CSRS employees will send the SF 2808 directly to OPM at the address in the form's instructions. Complete Form TSP-3 when you begin to contribute or, if FERS, when you begin receiving the agency automatic 1% contribution, whichever comes first. Send Form TSP-3 directly to the TSP at the address in the form's instructions.

It is your responsibility to make sure designation of beneficiary forms stay current. A change in marital status does **not** automatically change a beneficiary previously designated. Also, you should submit an updated beneficiary form whenever the address of a beneficiary changes. This will make the beneficiary easier to locate should the need arise.

HOW TO ACCESS EBIS, THE BEST PHONE SYSTEM, AND REACH A COUNSELOR

BEST “benefits” PIN number – BEST PIN numbers are not mailed; nor do you “apply” for them. Instead, for new hires and employees transferring from other agencies such as the Army or Navy to the Air Force, the BEST automated system automatically sets your PIN as a four-digit number equivalent to your month and year of birth (MMYY). For example, if born in May 1980, your PIN will be 0580. Once you access EBIS or the BEST phone system, you will be required to change this 4-digit PIN to a 6-digit PIN of your choice. You are responsible for the security of your account -- change your PIN immediately and at any time you believe it has been compromised. Do not share your PIN with anyone. (BEST will never ask for your PIN number.)

If you are a rehired employee who was previously serviced by BEST, the six-digit PIN you previously set will still be in the system. If you don't remember this PIN, you can change or reset it within the BEST phone system or EBIS. However, rehired employees need to check the SF 50 (Notification of Personnel Action) and most current Leave and Earnings Statement to obtain the necessary data for resetting the PIN, to include their SCD-Leave date.

The Employee Benefits Information System (EBIS), is a secure web application. As a result, in order to access EBIS you must first login to the Air Force Portal or the AFPC Secure website.

Air Force Portal. Within 48 hours of receiving a Common Access Card (CAC), you should be able to register and establish an AF Portal account. To get started, go to <https://www.my.af.mil>. Find the Membership Information and click on “Register for a new AF Portal Account with your CAC.” When complete, you'll receive two email notifications, one with your Portal username, and one with your Portal temporary password. After receiving these emails, allow at least 30 minutes for the CAC registration process to complete. You will then be able to log on to the Portal with your CAC card or by using your Portal username and password. After initial login, you'll be prompted to change your password. After logging in to the Portal, roll your mouse cursor over the “Life & Career” tab and select “Career” from the drop-down menu. A link to EBIS is located in the far left column, or you can click on “Civilian Employees” and find it under the Self-Service Applications. Click the EBIS link. When the EBIS login screen appears, enter your SSN and BEST PIN number, and you're ready to conduct benefits transactions (click the Transactions icon). Note: Keep track of your username and password; you will need them to access the Portal from your home computer.

AFPC Secure website. New users will set up their AFPC Secure account by using their CAC card. Go to <https://w20.afpc.randolph.af.mil/AFPCSecurenet20>. Click “OK” to acknowledge consent to the Warning Banner. Immediately, a “Choose a digital certificate” dialog box will appear. If your web browser has been configured for use with your DoD PKI certificate number, CAC, and CAC PIN, you should see your name and certificate number in the white area of the dialog box. Click “OK” and enter your CAC PIN. At the prompt, enter your DSN phone number and your current e-mail address. (To be valid, the e-mail address must end in .mil or .gov. If you don't have a valid e-mail address, you can obtain a free one at <https://www.gmail.af.mil>.) After you do this, you only need to click on the “Submit” button. Your account has been created.

You will receive one more information page that will give you the option to create a UserID and password associated with your AFPC Secure account. We recommend that you create a UserID and password so you will be able to access AFPC Secure from your home computer. Please note: AFPC Secure passwords expire after 60 days and can be reset only by logging in to AFPC Secure at work with your CAC.

Once you have logged in to AFPC Secure, the AFPC Secure Main Menu will appear. Click on the “EBIS” button. When the EBIS login page appears, enter your SSN and BEST PIN. Your PIN for the BEST phone system and EBIS is the same, and you may change it as often as you wish via either system. In addition, if you forget your PIN, you can select a new one via either system.

To submit elections in EBIS to enroll in FEHB, FEGLI and TSP, click the “Transactions” icon, then go to the “Current Coverage” box for the applicable benefit and click the “Change” button. When the next screen appears, follow the prompts, answering the questions. Be sure to follow through until

the screen advises your transaction is complete. (Click the Printer Friendly icon to print the enrollment for your records.)

More detailed information on logging in to the Air Force Portal and AFPC Secure, as well as the BEST PIN, is available at:

http://gum.afpc.randolph.af.mil/cgi-bin/askafpc.cfg/php/enduser/std_adp.php?p_faqid=4872.

The BEST phone system. Employees in the United States will dial 1-800-525-0102. Overseas employees will first dial a toll-free AT&T Direct Access Number for the country they are in, then 800-525-0102. (Go to www.business.att.com/bt/dial_guide.jsp for AT&T Direct Access Numbers.)

- When the system answers press “2” for civilian employees, then “2” for BEST benefits and entitlements services.
- You’ll hear two tones followed by several seconds of silence while your call is being transferred.
- You’ll then hear information on entering your SSN and BEST PIN number, and the system will prompt you to enter them. (If you still have a four-digit PIN, the system will require you to change it to a six-digit PIN of your choice for security reasons.)
- When you reach the benefits main menu, press the number for the appropriate benefits area, i.e., 1 for FEHB, 2 for Retirement, 3 for TSP, and 4 for FEGLI. See the BEST Telephone Menu at http://gum.afpc.randolph.af.mil/cgi-bin/askafpc.cfg/php/enduser/std_adp.php?p_faqid=5828 for assistance in navigating the BEST phone system.
- If you are unable to access the phone system after your second duty day, or it tells you your SSN is not on file, please notify your local or servicing Civilian Personnel Flight and they will contact us on your behalf.

EBIS and the BEST phone system are available 24 hours a day, 7 days a week (except on Saturdays from 8:45 p.m. to midnight Central Time for systems backup).

BEST benefits counselors can be reached by dialing the phone number above.

- When you reach the benefits main menu, the system will voice: “press 1 for health benefits, 2 for retirement, 3 for TSP, 4 for life insurance.”
- Press the number for the benefits area relating to your call, then “0” to transfer to a benefits counselor.
- Benefits counselors are available Monday through Friday from 7 a.m. to 6 p.m., Central Time.

Hearing impaired employees may contact a benefits counselor via our toll-free TDD number: 1-800-382-0893, or commercial 565-2276 if calling within San Antonio, Texas (area code 210).

Benefits and Entitlements Service Team (BEST) address:

HQ AFPC/DPIR
550 C Street West Ste 57
Randolph AFB TX 78150-4759

BEST Fax Number: DSN 665-2936 or (210) 565-2936

It is your responsibility to review your Leave and Earnings Statement every pay period to make sure your benefits are correctly withheld.